



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(MANPOWER AND RESERVE AFFAIRS)
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

NATIONAL NAVAL RESERVE POLICY BOARD

OCT 02 2003

From: Chairman, Naval Reserve Policy Board
To: Assistant Secretary of the Navy (Manpower and Reserve Affairs)

Subj: REPORT OF THE 2003 SECRETARY OF THE NAVY'S NATIONAL NAVAL
RESERVE POLICY BOARD (NNRPB)

Ref: (a) SECNAVINST 5420.170K

Encl: (1) Issues Considered

1. Per reference (a), the 2003 National Naval Reserve Policy Board (NNRPB), met to consider action on new issues forwarded by the Chief of Naval Reserve's Policy Board, review outstanding issues, and consider policies that hinder the transformation and a seamless integration of the Navy-Marine Corps Team. The results of the Board's deliberations are forwarded as enclosure (1).
2. The Board convened at Expeditionary Logistics Security Force at Williamsburg, Virginia in May 2003 and initiated efforts to develop a web-based process to facilitate and greatly reduce the time and resources required to deliberate issues being considered by the Board. This initiative was fully formulated in August 2003 at an Executive Steering Committee meeting at U.S. Northern Command, Colorado Springs, Colorado. This intent is to allow for continuous processing of Policy Board issues by utilizing interactive discussion boards, document warehousing and on-line deliberations. Through this, it is anticipated that the agility of the Board will be enhanced, making it able to quickly react to "ad-hoc" requests and provide the Secretary thoughtful, well-formed opinions and recommendations quickly.
3. During the 2003 General Assembly, in session from 29 September through 1 October 2003, the Board considered six items for appropriate recommendations, as follows:
 - a. **Basic Allowance for Housing (BAH)** - Reservists serving on temporary Active Duty do not receive the same BAH entitlement as their Active component counterparts.

Resolution: Forwarded to the Reserve Forces Policy Board recommending modification of Volume 7, Chapter 26 of the Financial Management Regulations to remove any inconsistencies between AC and RC personnel serving on Active Duty (Item 2003-01).

- b. **Location of Departure/Return on AT/ADT/IDTT** - Under CNRF policy, Reservists are required to depart and return to their Home of Record when executing AT/ADT or IDTT orders.

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Resolution: Return to CNRF for additional analysis, staffing and consideration. Request a response back to the board no later than 15 March 2004 (Item 2003-02).

c. **Selected Reserve Retirement Pay** - Consideration of a reduction in retired pay eligibility from 60 to 55.

Resolution: Table this issue and retain on board's agenda pending completion of a DoD study of military retirement programs (Item 2003-03).

d. **Government Travel Charge Card (GTCC) Payment Options** - Requests legislative change to increase garnishment from 15% to 50% of pay to recoup GTTC delinquencies.

Resolution: Do not concur with CNRF recommendation. Sufficient tools exist to ensure better management of the GTCC program. Additionally, increasing the garnishments would create an adverse situation for active duty personnel (Item 2003-04).

e. **Creation of Navy Enlisted Classification Codes (NEC)** - Requests a unique NEC be created for Training and Administration of Reserves (TAR) staff.

Resolution: Returned to CNRF. This is not a policy issue. CNRF should submit a request for NEC creation (Item 2003-05).

f. **Retirement Points Authorized for Joint Professional Military Education (Phase I) Course** - Though authorized 300 points over a three-year period for completion of JPME (Phase I) courses, current limitations on the total number of retirement points a member can earn in a 12 month period, only a fraction of those points can be used toward retired pay.

Resolution: Forward to Commander, Navy Personnel Command for staffing and further analysis of the implications of the retirement point accrual for both officers and enlisted in support of Sea Warrior initiative (Item 2003-06). Response required by 15 March 2004.

4. In addition to the above, the Board heard briefings and held discussions on several cross cutting topics. Based on these deliberations the Board submits the following recommendations for your consideration.

a. Assistant Secretary of the Navy (Manpower and Reserve Affairs) sponsor a DoN workshop by the end of the second quarter, FY-04 to discuss and resolve 'end-to-end' issues on the mobilization/demobilization process with all stakeholders (including Marine Corps

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for resolving Program-9 issues) that will explore different options to
achieve agility and responsiveness.

b. Assistant Secretary of the Navy (Manpower and Reserve Affairs)
convene an Integrated Project Team (IPT) by the second quarter of FY-
04 to examine 8404 NEC issues to include, but not be limited to,
recruiting, training, assignment, retention, and a design of an
appropriate career path culminating in a comprehensive strategy which
ensures that Marine Force Reserve manpower readiness need are met.

Very respectfully,

A handwritten signature in dark ink, appearing to read "Stanton Thompson", written over the typed name.

Stanton Thompson
Rear Admiral
U.S. Naval Reserve

ITEM: 2003-01

SUBJECT: BASIC ALLOWANCE FOR HOUSING (BAH) PAY EQUITY FOR SINGLE SAILORS AND DUAL MILITARY (WITHOUT DEPENDENTS) WHILE ASSIGNED TO FIELD OPERATIONS ON ACTIVE DUTY ORDRES (139 DAYS OR LESS)

DISCUSSION: While serving on active duty with pay (AT, ADT, ADSW), all Reserve component members should receive the same BAH benefits as their Active component counterparts, regardless of their dependency and marital status or the duration of their active duty with pay period.

Item 2002-17 was originally reviewed by the Board during its 2001 general assembly, and was subsequently forwarded to the Reserve Forces Policy Board (RFPB) as item 00058. Specifically, item 00058 dealt with eliminating the 140-day requirement for BAH-1 eligibility thereby providing equal BAH entitlement for any period of active service.

NNRPB RECOMMENDATION: Forward to the RFPB recommending change to the DOD FMR 7000.14A, Volume 7A, Chapter 26, paragraph 260203 so that all members of the Reserve Component are entitled to BAH, to include training orders, regardless of the marital status of the member or the duration of the orders. Also recommend change to DOD FMR 7000.14A, Volume 7A, Chapter 26, paragraph 570502A to delete the phrase "other than for training" in the sentence "A member of a Reserve component on active duty (other than for training) with pay is entitled to BAH under the same terms and conditions as members serving on full time active duty." Request RFPB provide update to NNRPB at mid-year review.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with recommendation by NNRPB. Barriers that differentiate between Active and Reserve with regard to a days pay must be eliminated to the maximum extent possible.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB proposal to forward to the RFPB, however, recommend the forwarding endorsement include language concerning this topic included in the DOD Report to Congress Reserve Personnel Compensation Program Review dated September 03. The subject of BAH for reserve members cannot be reviewed without a complete understanding of the costs involved and

understanding of how this proposal may be funded. The Reserve Personnel Compensation Working Group reviewed this topic, agreed that the current policy is unfair for Reserve members, but was not able to determine how the Department would fund the estimated annual cost of \$188 million given competing priorities within the Department. Pages 22-24 of the compensation review provide additional details from this working group on this topic.

DASN(RA) COMMENT: Concur with 2003 NNRPB, CNO and CMC recommendations to forward this issue to the RFPB for review.

ITEM: 2003-02

SUBJECT: LOCATION FOR DEPARTURE/RETURN ON AT/ADT/IDTT

DISCUSSION: COMNAVRESFORINST 1571.19/COMNAVRESFORCOMINST 1571.1 entitled, "Order Processing and Transportation Arrangements for Naval Reservists," paragraph 507, Travel from Home for AT/ADT, states:

Unless a drilling Reservist is away from his/her home on another set of orders, the JFTR requires travel for AT/ADT to originate and terminate at the home.

JFTR Chapter 7; Part G; Section U7150 Reserve Component Travel; Paragraph A Active Duty with Pay, states:

Active Duty for Less Than 20 Weeks at One Location [e.g. ADSW]. Members-called (or ordered) to active duty for less than 20 weeks at one location-are entitled to travel and transportation allowances as for TDY under Chapters 3 and 4.

JFTR Chapter 3; Part B; Section U3100 General, Paragraph B TDY Travel Involving Non-PDS Location(s), states:

A member on TDY orders is authorized travel/transportation allowances not to exceed the actual transportation cost for the transportation mode authorized and used up to the constructed transportation cost between the member's Permanent Duty Station (PDS) and TDY location. When TDY travel is to/from a non-PDS location:

1. The member is responsible for all excess travel and transportation costs; and
2. Constructed costs for each trip leg must be based on the non-capacity-controlled city-pair airfare, if available.

JFTR Chapter 4 addresses per diem and actual expense allowance policy; it does not discuss travel or the location for departure/return on AT/ADT/IDTT for reservists.

JFTR Chapter 7; Part G; Section U7150 Reserve Component Travel; Paragraph C Inactive Duty Training with Pay, Subparagraph 4 "Travel from a Location Other than Home/Assigned Unit to a TDY Station," states:

Transportation Reimbursement. When the member travels directly from the other location to the TDY station,

reimbursement is limited to the travel cost from the assigned unit to the TDY station.

From discussion with Mr. Cotton Bowen (CNO-130E), the JFTR allows reservists to depart/return to site(s) other than their permanent duty site for periods of duty less than 20 weeks duration of active duty (ADSW) and for periods of inactive duty training with pay (IDTT).

Current JFTR regulations allow travel from locations other than home of record to AT/ADT sites. Implementation of this policy would be in the best interest of COMNAVRESFOR, and would provide a more flexible and responsive force to meet Navy requirements.

NNRPB RECOMMENDATION: Return to COMNAVRESFOR for staffing and consideration. Request a response back to the board no later than 15 March 2004.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with recommendation by NNRPB. However, total cost of travel must be within the constructed cost for travel from the assigned unit.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB recommendation. Request CMC(RA) be advised of, and provided the opportunity to comment on the COMNAVRESFOR response.

DASN(RA) COMMENTS: Concur with NNRPB recommendations that this item be returned to COMNAVRESFOR for further staffing with a response back to the board no later than 15 March 2003.

ITEM: 2003-03

SUBJECT: SELECTED RESERVE RETIREMENT PAY ELIGIBILITY DATE

DISCUSSION: Reservists are not entitled to receive retirement pay until age 60, regardless of when eligibility is attained through the accumulation of a minimum of twenty years of satisfactory participation. It has been suggested by the ASN(M&RA) Retiree Council that the current system does not contemplate extended periods of active duty, particularly involving recalls pursuant to mobilization orders now being experienced by many Selected Reservists. Recognition of the sacrifices made during these periods of extended active duty could be given through specific retired eligibility credits, which enable a recalled member to draw retirement pay earlier than age sixty.

The proposed change provides that after the accumulation of 180 days of active duty pursuant to mobilization or involuntary recall, the member would be entitled to draw a retirement check six months earlier than current law provides. Further six-month credits could be earned through the accumulation of additional involuntary active duty in 180-day increments, limited to a total of five years credit.

The NNRPB notes that there have been several proposals during recent years to reduce the age at which a Reservist is first eligible to draw retirement pay. There is currently underway a comprehensive DoD study of the military retirement system. The study will address the human resources needs of the DoD for the 21st century and the possible integration of the active duty and Reserve retirement systems to facilitate a more seamless force. The preliminary finding reported out from the study is that any change in the minimum eligibility age will result in significant costs. Pending the results of this study, any changes in the reserve retirement system would be premature.

NNRPB RECOMMENDATION: This matter is tabled and should be retained on the board's agenda pending completion of the DoD study of military retirement programs. The board will monitor the progress of the DoD study.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with recommendation by NNRPB. This issue must be fully vetted through a comprehensive analysis of the total cost and long-term benefit of the proposal.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB recommendation.

DASN(RA) COMMENTS: Concur with NNRPB recommendation that this issue should be tabled until pending studies are complete.

ITEM: 2003-04

SUBJECT: GOVERNMENT TRAVEL CHARGE CARD (GTCC) PAYMENT OPTIONS

DISCUSSION: The delinquency rate for Government Travel Credit Cards (GTCC) for the Naval Reserve continues to hover around 15 percent. The stated Navy goal is four percent. To help accomplish this the Naval Reserve has just announced mandatory split pay procedures for all travel claims submitted. However, this does not ensure the correct amount is to be reimbursed to Bank of America (BOA) on travel claim forms. Further, the current procedure of administrative punishments (Commanding Officer's (CO's) mast, removal from drill pay, placement in Individual Ready Reserve (IRR) and adverse Fitness Reports (FITREPS)/Evaluations (EVALS)) needs additional monetary pressures and procedures in order to reduce overdue accounts. If the Naval Reserve is going to be held to the civilian industry standard's four percent delinquency rate then it needs to adopt civilian industry standards that will attain that goal. The Naval Reserve must take additional steps if the delinquency rate is to be reduced to the required four percent.

NNRPB RECOMMENDATION: Do not concur with the COMNAVRESFOR Policy Board recommendation. Sufficient tools exist to manage the GTCC program for those delinquencies that are likely to be recoverable; increased garnishment is not going to resolve this problem as most delinquencies of active Selected Reservists are under 90 days and are due to timeliness of pay and travel liquidation, while most delinquencies over 90 days (where garnishment is allowed) are for GTCCs held by Selected Reservists who have quit, are not attending drills, and against whom garnishment is not an option. Additionally, a ULB to increase garnishment rates from 15% to 50% will have a significant impact on the active duty Sailor as the law change will affect all components. Applying the total travel claim reimbursement to the current GTCC balance is essentially forcing the Selected Reservist to float the Navy an interest free loan for at least their M&IE per diem, which reimburses predominately out-of-pocket cash expenditures by the Selected Reservist. Finally, split-pay is a relatively new requirement, and has not had an opportunity to be fully executed. If initial problems with split-pay continue into the future, a review of the split-pay program would be warranted, but it is the Board's expectation that mandatory split pay will substantially reduce Selected Reservist-caused delinquencies.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with NNRPB recommendation. However, recommend continuous monitoring of the effectiveness of the mandatory use of split pay. Judicious

monitoring of travel claims by approving officials should ensure that all claims contain an appropriate amount to be credited to the GTCC through split pay. Additionally, resources must be allocated to ensure initial problems with split pay are resolved.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB recommendation.

DASN(RA) COMMENTS: Concur with NNRPB recommendation. Results of the split-pay option are unknown at this time and appear to be a satisfactory solution to this problem.

ITEM: 2003-05

SUBJECT: CREATION OF A CORE COMPETENCY NAVY ENLISTED CLASSIFICATION (NEC) CODE FOR TRAINING AND ADMINISTRATION OF RESERVES (TAR) FULL TIME SUPPORT (FTS) STAFF

DISCUSSION: FTS personnel serving at the Echelon IV and V level are not adequately trained to perform their primary duties, adversely effecting customer service.

Per the most recent Dashboard Indicators report (Fiscal Year 2002, Quarter 2), 26.7% of Reserve Force FTS staff personnel have not received the required training for their assigned position. Ideally, FTS personnel would receive job training via the Naval Reserve Professional Development Center (NAVRESPRODEVCCEN) as part of their Permanent Change of Station (PCS) orders prior to arrival at the Naval Reserve Activity (NRA). The obvious benefit would be a "full up round" Sailor reporting onboard without a gap in Reserve service to allow for training. However, only training that grants a NEC can be included in PCS orders. Core competency training for FTS does not currently award an NEC.

Reserve management has become a complex process, often crossing departmental lines and requiring proficiency in a number of reserve unique programs. Effective order writing encompasses mastery of the New Order Writing System (NOWS) and a working knowledge of Reserve Pay and Personnel Management (RPPM). Conversely, personnel and manpower positions often feed the order writing system and resolve travel liquidation problems typically addressed by the training department. Manpower, personnel, training and administrative department personnel routinely deal with issues in disciplines they have never been trained to address. Additionally, the primary duties of NRA personnel often change during a two or three year tour dependent upon experience, crew rotation and manning. Cross training is essential for effective, timely and accurate customer service.

NNRPB RECOMMENDATION: It is the judgment of the 2003 NNRPB that this issue is not a policy formulation issue but one of policy implementation and execution. There is nothing preventing COMNAVRESFOR, as the billet "owner" from proposing the desired NEC skill set and then requiring the NEC for their NRA FTS personnel.

Recommend SECNAV return this issue to COMNAVRESFOR for submission of an NEC proposal in accordance with NAVPERS 18068F, Appendix A. Further recommendations include:

1. Consider consolidating the required training information, which is now taught in the three separate classes over 4 (not necessarily consecutive) weeks into 1 course that is shorter and is offered frequently enough to accommodate the FTS rotation schedule.

2. Do not limit the revised course and subsequent NEC to TAR personnel. Encourage all active duty personnel who perform the function of administrative support for reserve personnel (e.g., YN's, SK's, OF-13 (Seabees)) to obtain this NEC. This NEC should be encouraged for these positions in any command that has reserve personnel who augment their unit.

3. Officer training requirements should be considered in the process.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with NNRPB that this is not a policy formulation issue, however, do not concur with the creation of an NEC. As the NNRPB observed, this is training that should not be limited to FTS personnel. As such, it should be included as part of the current "A" and "C" school curriculum for all applicable ratings.

Additionally, proposals should be forwarded to NETC for the development of a distance-learning course to be used as advance material to the service school, and as a refresher for those personnel recently assigned administrative duties.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB recommendation.

DASN(RA) COMMENTS: Concur with the NNRPB. If the current Reserve/Active Forces integration initiatives change the composition of the FTS program to include more USN personnel, then a FTS NEC should be considered.

ITEM: 2003-06

SUBJECT: RETIREMENT POINTS AUTHORIZED FOR JPME PHASE 1
COURSE

DISCUSSION: Current policy for Naval Reservists completing a Naval War College Joint Professional Military Education (JPME) Phase 1 non-resident series of courses is to award 100 points for completion of each core course. The entire Phase 1 curriculum consists of three core courses for a total of 300 retirement points over a three-year period. While the number of points awarded is appropriate for the level of effort required to complete the series, drilling Reservists are able to take advantage of only a fraction of the points.

DOD INST 1215.20, Sect 5.4.4 directs the Secretary of the Military Departments to "Encourage and facilitate RC officer JPME." The current policy of limiting retirement point accrual, other than those points earned on active duty, at 90 points per year serves as a disincentive and does not support the spirit of the above referenced instruction.

This issue directly supports Sea Warrior 21, and other DoD human capital development initiatives. Additionally, Reserve component members, both officer and enlisted, are being encouraged, and in some instances required, to participate in additional professional military education.

NNRPB RECOMMENDATION: Forward to Navy Personnel Command for staffing and further analysis of the implications of retirement point accrual for professional military education and training for officer and enlisted members. Specific factors to be evaluated include determination of lifetime costs, integration opportunities between Reserve and Active components, and professional development benefits. Report due to NNRPB no later than 15 March 2004.

CHIEF OF NAVAL OPERATIONS COMMENTS: Concur with NNRPB recommendation to forward to NPC for staffing and further analysis. This staffing should be coordinated with NPDC as the owner of individual training.

COMMANDANT MARINE CORPS COMMENTS: Concur with NNRPB recommendation. Request CMC(RA) be advised of, and

provided the opportunity to comment on the COMNAVRESFOR response.

DASN(RA) COMMENTS: Concur with NNRPB recommendation to forward to NPC for staffing and further analysis.